

1 WHEREAS, plaintiffs, proceeding derivatively on behalf of Mercury Interactive
2 Corporation ("Mercury," filed a [Corrected] Consolidated Amended Derivative Complaint
3 ("Amended Complaint") in this action on May 22, 2006;

4 WHEREAS, defendants in the consolidated federal derivative actions must file their
5 response to the Amended Complaint on July 21, 2006;

6 WHEREAS, parallel consolidated derivative actions are pending in the Superior Court of
7 Santa Clara County for the State of California consolidated under the action, *In re Mercury*
8 *Interactive Corp. Derivative Litig.*, Case No. 05-cv-050710 ("California Derivative Actions");

9 WHEREAS, two additional derivative cases are pending in the Chancery Court in the State
10 of Delaware, entitled *Schwartz v. Landan*, Civ. No. A-1755-N, and *Cropper v. Landan*, Civ. No.
11 A-1938-N, and Nominal Defendant Mercury has moved to stay these two derivatives cases in
12 favor of the California Derivative Actions; and


13 WHEREAS, the parties have agreed that it is in the best interest of judicial economy and
14 the resources of the parties to stay the federal consolidated derivative actions pending the outcome
15 of the California Derivative Actions;

16 IT IS HEREBY STIPULATED AND AGREED BY AND AMONG THE
17 UNDERSIGNED, ON BEHALF OF THEIR RESPECTIVE CLIENTS, AS FOLLOWS:

18 1. The federal consolidated derivative actions are stayed pending the outcome of the
19 California Derivative Actions.

20 DATED: June 8, 2006

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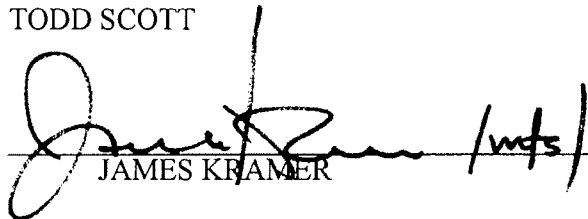
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6/13/06 IT IS SO ORDERED.

MERCURY: 13406.STTP

Judge Jeremy Fogel, US District Court

STIPULATION TO STAY PROCEEDINGS - CASE NO. 3:05-cv-04642 JF (PVT)

- 4 -

DECLARATION OF SERVICE

I, BORANY T. REINBOLD, the undersigned, declare:

1. That declarant is and was, at all times herein mentioned, a citizen of the United States and a resident of the County of San Diego, over the age of 18 years, and not a party to or interested in the within action; that declarant's business address is 750 B Street, Suite 2770, San Diego, California 92101.

2. That on June 9, 2006, declarant served **STIPULATION TO STAY PROCEEDINGS IN CONSOLIDATED FEDERAL DERIVATIVE ACTIONS PENDING OUTCOME OF THE CALIFORNIA DERIVATIVE ACTIONS** via the CM/ECF System to the parties so indicated on the attached service list, who are registered participants of the CM/EMF System.

3. That on June 9, 2006, declarant served the parties so indicated on the attached service list, who are not registered participants of the CM/ECF System, via U.S. Mail.

4. That there is regular communication by mail, facsimile, and electronic mail within this office.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 9th day of June 2006, at San Diego, California.


BORANY T. REINBOLD

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